Permission to foreign companies in pharmaceutical sector

* * 329. PROF. R.B.S. VARMA:
SHRI JANESHWAR MISHRA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have permitted the foreign companies to open fully owned units in the pharmaceutical sector;

(b) if so, the reasons therefor;

(c) whether local pharmaceutical companies will be affected after the entry of the foreign companies in the market;

(d) if so, to what extent they arc likely to be affected; and

(e) whether Government propose to formulate a separate policy for manufacturing of healthy and beneficial drugs?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Yes, Sir. As per the extant policy. Foreign Direct Investment (FDI) upto 100% is permitted in Drugs & Pharmaceuticals Sector to facilitate infusion of adequate capital, modern technology, efficient management practices and achieving global competitiveness. Enhancement of sectoral competitiveness in the global context includes competitiveness of both domestically held and foreign held companies. Moreover, FDI in this sector has also led to strong domestic linkages.

(e) No, Sir.

† Original notice of the question was received in Hindi.